# RICH'S, INC./ANNUAL REPORT/1970

fiscal year ended January 30, 1971.

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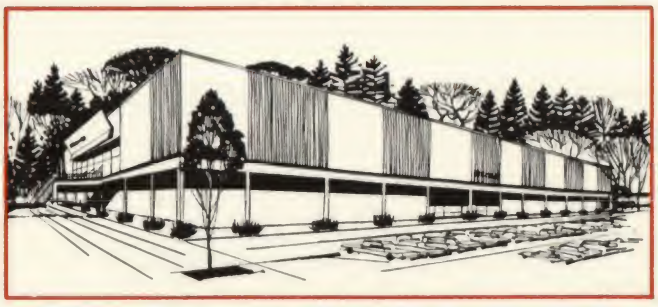
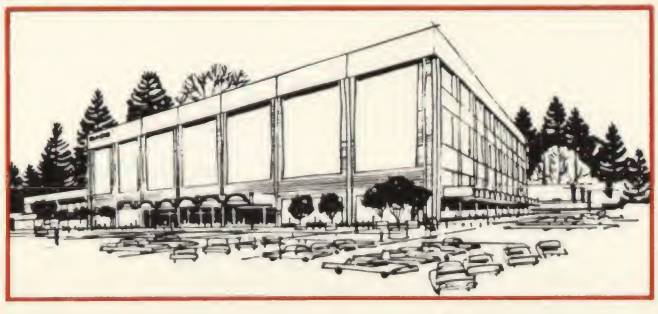


BELVEDERE

COBB COUNTY

NORTH DEKALB

GREENBRIAR



SOUTH DEKALB

**cover**

Representation of Rich's famous clock, Downtown store, from an original acrylic painting by Atlanta artist Alan Tiegreen

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**annual meeting**

The annual meeting of the shareholders of Rich's, Inc., will be held in the Auditorium on the Plaza Floor of the Store for Homes Building, adjacent to and connected with the corporate offices at 45 Broad Street, S.W., Atlanta, Georgia, on Wednesday, May 26, 1971, at 10 A.M., prevailing local time. All shareholders are invited to attend.

# FINANCIAL HIGHLIGHTS

| | Fifty-two weeks ended January 30, 1971 | Fifty-two weeks ended January 31, 1970 |
|---|---|---|
| **From the Earnings Statement** | | |
| Net Sales | $205,168,000 | $186,391,000 |
| Percentage Increase | 10.1% | 8.3% |
| Earnings Before Taxes | 17,741,000 | 19,114,000 |
| Earnings After Taxes[1] | 9,533,000 | 8,731,000 |
| Earnings Per Share of Common[1]—Primary | 3.50 | 3.22 |
| Earnings Per Share of Common —Fully Diluted | 3.41 | 3.13 |
| Common Dividends Paid | 3,952,000 | 3,940,000 |
| Dividends Per Share | 1.45 | 1.45 |
| Earnings Retained in Company | 5,581,000 | 4,791,000 |
| Return on Common Equity | 12.85% | 12.68% |
| **From the Balance Sheet** | | |
| Working Capital | $ 53,233,000 | $ 46,203,000 |
| Ratio of Current Assets to Current Liabilities | 2.6 | 2.4 |
| Expenditures for Property and Equipment | 4,349,000 | 8,462,000 |
| Long Term Debt | 14,526,000 | 15,550,000 |
| Common Stockholders' Investment | 77,055,000 | 71,346,000 |
| Book Value Per Share of Common | 28.27 | 26.26 |
| Number of Common Shares Outstanding | 2,725,881 | 2,717,341 |
| Total Number of Common Stockholders | 4,444 | 4,516 |

[1]Includes an extraordinary credit of $991,000 or $.36 per share for year ended January 30, 1971.

# LETTER TO THE STOCKHOLDERS

The year 1970 will be remembered as one of contradiction and challenge. The contrary economic conditions of continued inflation, accompanied by unemployment and curtailed business, presented a great challenge to our management. We were prompted to explore all avenues of operations to maintain sales and profit consistent with our previous record.

We are pleased, therefore, to report that in 1970 sales reached an all time record of $205,168,000, an increase of 10.1% over last year's sales of $186,391,000. The 1970 figure includes our two Richway discount stores opened in March and represents eleven months' operations in this division. Net earnings from operations were $8,542,000, compared with $8,731,000 last year. However, we must add $991,000 to the profit for 1970

for the extraordinary gain on sale of land during the year, making total profit $9,533,000 for 1970. This operating income is equivalent to $3.14 per share exclusive of the gain on sale of land, and $3.50 after including it. These are compared with last year's earnings per share of $3.22.

The same dividend rate of $1.45 was maintained in 1970 and cash dividends were $3,952,000 compared with $3,940,000 in 1969. We maintained our favorable return on common stock equity at 12.85% and increased our book value per share from $26.26 to $28.27.

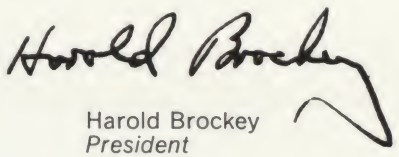
As mentioned, we opened the first two new discount stores of our Richway Division this year and we were pleased with their results which were better than anticipated. We were accordingly encouraged to start construction of our next two discount stores and, after a delay due to a construction strike, we now expect them to open in April, 1971. We are also pleased to announce the following Richway promotions: John H. Weitnauer, Jr. to Senior Vice President and General Manager and Ronald Yabroudy to Vice President of Merchandising and Publicity.

Our new Service Building was completed during the year and we are now totally removed from our old building and are operating in the new, modern 740,000 sq. ft. facility. This facility should bring new operating efficiencies and greatly improved service to our customers.

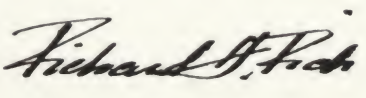
Perimeter Mall Shopping Center is under construction and our new suburban department store will open with the rest of the shopping center in August, 1971. This represents our eighth traditional store in the Atlanta area and it is located in a fast-growing area of the suburbs.

Our same policies of service and satisfaction have been zealously followed during this year and they will continue unchanged in the future.

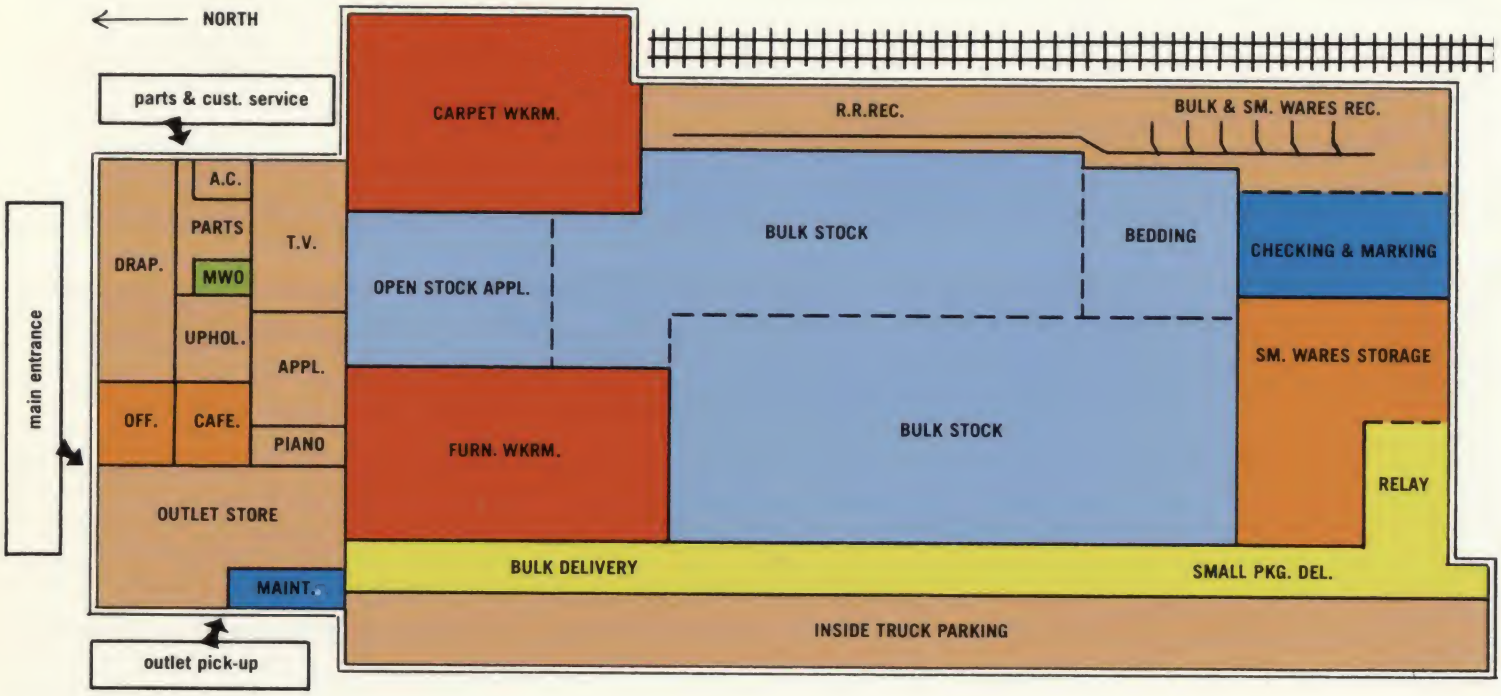
We have always said that our business was built one customer at a time. For more than one hundred years, we feel that we have consistently adhered to this policy and are dedicated to the continuance of it in the decades ahead. The growth in our area of the Southeast is continuing and the future opportunities for our company seem unlimited. We expect to capitalize on these natural advantages and remain the dominant retail operation in our part of the country, amply supplying the needs of Atlanta and the great Southeast.



Harold Brockey
*President*



Richard H. Rich
*Chairman of the Board*




Rich's new Service Center, designed for and equipped with the most modern automated systems, is planned to give our customers faster and more efficient service. It boasts advanced materials-handling equipment, the most advanced electronic testing equipment in our repair shops, and much more. Total building area is 743,000 sq.ft., expandable to 1,300,000 sq.ft. Our Service Center will amply fill the present and future service needs of Rich's.

Shown on this page, merchandise being unloaded in our covered railroad receiving area, cart destination being set by magnetic rods, the automated trip on our towveyor track and final placement by order picker on shelves as high as 26 feet above the floor.

On this page, the cornice work area in our drapery workroom, TV repair, the upholstery and slip-cover workroom and a view of our inside loading area with 63-truck capacity.

Here, the carpet storage area, our new automatic carpet cutter that unrolls carpet, inspects, cuts to size, then rerolls and wraps for delivery...all guided by the sophisticated control panel.

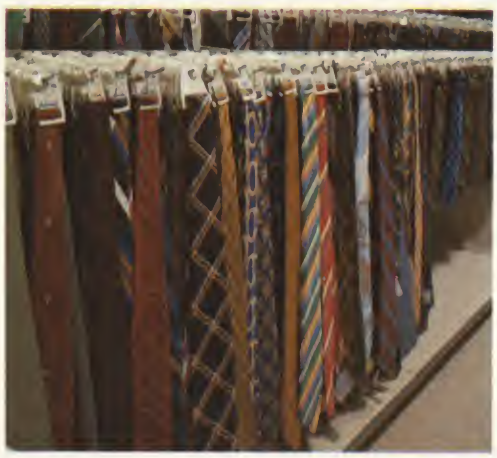
"This is the Regency look"
has been the signature of our most
fashionable areas, primarily at
Lenox Square. In August of 1970,
work was completed on a new complex
of Regency Shops Downtown. Located on
the Third Floor, Store for Fashion,
it's a bright cluster of individual shops
with clothes and accessories from
couture to classic...a welcome addition
to our total involvement in fashion.

Rich's '70 was again a showcase for the kind of special events so dear to the hearts of Atlanta. Fashionata, presented for the first time in Symphony Hall, was a smash! Curb Market was an exciting reminder of our not-so-distant agrarian past. And Eastward, Ho!, our import fair brought the splendors and enticements of the East to our customers. Our 23rd. Great Tree Lighting enthralled more people than ever. These and more make a trip to Rich's really special all year long.

50¢/qt
1.75/gal
50¢/qt
1.75/gal
10¢

Rich's Perimeter Mall, opening in August of 1971, will bring Rich's number to a magical 8...8th wonder, pieces of 8, all applicable to the unique, the treasure-full. And so it will be. A total-service department store located at Ashford Dunwoody Rd. and I-285, it will have a 2-level "Store for Fashion" which will house all ready-to-wear, including Budget Store, and a 1-level "Store for Homes" adjacent to the upper fashion level. Introduced to the community by an intensive advertising campaign via newspapers, direct mail, radio and television, and magazines, Rich's Perimeter Mall will present Rich's assortments and services to a relatively new and fast-growing shopping area in a compelling, contemporary manner.

Richway, which opened in early 1970 with
2 stores, has proven its worth abundantly. Popular from
the very beginning, Richway has now grown to be
a 4-store operation. Both new stores are to the south,
one at Old National Highway and I-285,
the other at Jonesboro Rd. at I-285. Bound by
one basic premise...to give our customers wide assortments
at discount prices...our Richway operation
is another proof of Rich's desire to give our customers
what they want, where they want it,
and to do this with typical Rich's flair.



Rich's South DeKalb, our 7th store, completed in August of 1969, is now a gem in a complete setting. The Mall itself has been completed, featuring 63 stores and shops (including Rich's), twin motion picture theatres, restaurants, and a totally covered, climatized "Mall for All Seasons." With 5,171 mall-side parking spaces, the Mall itself, and Rich's, are enjoying a popularity that exceeds our expectations.

# RICH'S, INC./FINANCIAL STATEMENTS

fifty-two weeks ended January 30, 1971

| Fifty-two weeks ended January 28, 1967 | Fifty-two weeks ended January 29, 1966 | Fifty-two weeks ended January 30, 1965 | Fifty-two weeks ended February 1, 1964 | Fifty-two weeks ended February 2, 1963 | Fifty-three weeks ended February 3, 1962 |
|---|---|---|---|---|---|
| $148,023 | $131,153 | $116,014 | $105,434 | $95,439 | $85,100 |
| 12.9% | 13.0% | 10.0% | 10.5% | 12.1% | (8.2%) |
| 14,369 | 12,942 | 11,826 | 10,905 | 9,881 | 8,324 |
| 7,243 | 6,224 | 6,448 | 4,961 | 4,705 | 3,816 |
| 2.69 | 2.31 | 2.40 | 1.85 | 1.76 | 1.43 |
| 2,958 | 2,676 | 2,398 | 2,123 | 1,930 | 1,741 |
| 1.10 | 1.00 | .90 | .80 | .73 | .67 |
| 4,285 | 3,521 | 4,006 | 2,785 | 2,707 | 1,997 |
| 13.66% | 12.65% | 14.20% | 11.81% | 12.02% | 10.37% |
| | | | | | |
| $ 43,036 | $ 38,255 | $ 36,939 | $ 34,111 | $30,923 | $25,475 |
| 3.0 | 2.9 | 3.4 | 3.1 | 3.2 | 3.3 |
| 4,774 | 7,211 | 2,928 | 4,782 | 2,857 | 1,593 |
| 17,335 | 14,320 | 10,725 | 11,050 | 7,375 | 3,700 |
| 55,276 | 50,810 | 47,162 | 43,032 | 40,053 | 37,115 |
| 20.56 | 18.97 | 17.69 | 16.20 | 15.17 | 14.18 |
| 2,689 | 2,678 | 2,666 | 2,657 | 2,640 | 2,617 |
| 4,438 | 4,354 | 4,006 | 3,639 | 3,658 | 3,673 |

## notes to financial statements TWO YEARS ENDED JANUARY 30, 1971

**A. customer receivables:**

Customer receivables (regular and installment accounts) are stated net of allowances for doubtful accounts of $1,656,500 at January 30, 1971 and $1,650,000 at January 31, 1970.

**B. other notes and accounts receivable:**

Included in other notes and accounts receivable at January 30, 1971, is $4,016,810 which represents the amount due on land sales and construction funds advanced for new discount stores and warehouse.

**C. merchandise inventories:**

Merchandise inventories are stated at the lower of cost (first-in, first-out basis) or market, determined principally by the retail method.

**D. income taxes:**

The provision for income taxes includes deferred taxes and has been reduced by investment tax credits as follows:

| | Year Ended | |
|---|---|---|
| | January 30, 1971 | January 31, 1970 |
| Federal: | | |
| Current | $7,840,000 | $ 8,598,000 |
| Investment credit | (23,000) | (202,000) |
| Deferred | 306,000 | 843,000 |
| | 8,123,000 | 9,239,000 |
| State | 1,076,000 | 1,144,000 |
| | $9,199,000 | $10,383,000 |

The deferral of income taxes arises from certain timing differences, the most significant of which are accelerated depreciation and the installment method of accounting for receivables.

**E. long-term notes payable:**

Debenture notes payable as of January 30, 1971, less amount due within one year, are comprised of the following:

| | |
|---|---|
| 4.25%, due annually to 1975 | $ 1,000,000 |
| 4.875%, due annually to 1982 | 3,440,000 |
| 4.6%, due annually to 1983 | 3,680,000 |
| 3.9%, due $274,000 annually 1972 to 1979 with unpaid balance due in 1980 | 3,726,000 |
| 5.0%, due annually to 1986 | 3,430,000 |
| | 15,276,000 |
| Less amount due within one year | 750,000 |
| | $14,526,000 |

The 3.9% notes are convertible into common stock of the Company at a conversion price of $50.00 per share through February 1, 1975, and at $57.50 per share thereafter through February 1, 1980. 80,000 shares of the authorized and unissued common stock have been reserved for issuance should the conversion be effected.

Under agreements relating to long-term debt at January 30, 1971, $35,500,000 of retained earnings was not available for the payment of cash dividends and acquisition by the Company of its capital stock.

**F. stock options:**

Stock options have been granted under restricted option plans, which have been terminated except for options already granted, and under the 1964 Qualified Stock Option Plan.

At January 30, 1971, options were outstanding for 67,625 shares (of which none are exercisable) at $13.162/3 to $33.00 per share and 3,000 additional shares were reserved for issuance for future grants.

During the year ended January 30, 1971, options were granted for 59,855 shares at $33.00 per share, were cancelled for 37,290 shares, and were exercised for 8,540 shares. During the year ended January 31, 1970, options were granted for 13,580 shares at $48.75 per share, were cancelled for 7,695 shares, and were exercised for 8,885 shares.

**G. cost of sales:**

Costs and expenses for the two years ended January 30, 1971 are reported to the Securities and Exchange Commission in accordance with its requirements as follows:

| | Year Ended | |
|---|---|---|
| | January 30, 1971 | January 31, 1970 |
| Cost of sales, including buying and occupancy costs | $138,744,008 | $124,513,778 |
| Selling, general and administrative expenses | 47,498,444 | 41,615,593 |
| Interest | 1,184,809 | 1,147,273 |
| | $187,427,261 | $167,276,644 |

## statement of stockholders' investment

| | TWO YEARS ENDED JANUARY 30, 1971 | | | | |
|---|---|---|---|---|---|
| | Common Stock* | | | | |
| | Shares Issued and Outstanding | Stated Value | Additional Paid-in Capital | Retained Earnings | Total Stockholders' Investment |
| BALANCE, FEBRUARY 2, 1969 | 2,708,456 | $9,382,199 | $868,973 | $56,157,301 | $66,408,473 |
| Net earnings for the year | | | | 8,731,041 | 8,731,041 |
| Cash dividends paid—$1.45 per share | | | | (3,940,027) | (3,940,027) |
| Common stock issued upon exercise of options | 8,885 | 146,142 | | | 146,142 |
| BALANCE, JANUARY 31, 1970 | 2,717,341 | 9,528,341 | 868,973 | 60,948,315 | 71,345,629 |
| Net earnings for the year | | | | 9,533,450 | 9,533,450 |
| Cash dividends paid—$1.45 per share | | | | (3,952,124) | (3,952,124) |
| Common stock issued upon exercise of options | 8,540 | 128,100 | | | 128,100 |
| BALANCE, JANUARY 30, 1971 | 2,725,881 | $9,656,441 | $868,973 | $66,529,641 | $77,055,055 |

*Authorized 6,000,000 shares without par value.

## statement of source and use of funds

| | Year Ended | |
|---|---|---|
| | January 30, 1971 | January 31, 1970 |
| SOURCE OF FUNDS: | | |
| Operations: | | |
| Net earnings | $ 9,533,450 | $ 8,731,041 |
| Depreciation | 3,799,069 | 3,380,961 |
| Deferred income taxes arising from accelerated depreciation | 297,000 | 346,000 |
| | $13,629,519 | $12,458,002 |
| Increase in notes payable | | 4,770,836 |
| Increase in accounts payable, accrued expenses and other current liabilities | 3,097,426 | 5,079,393 |
| Proceeds from exercise of stock options | 128,100 | 146,142 |
| Disposal of real estate not used in operations | 2,593,519 | |
| | $19,448,564 | $22,454,373 |
| USE OF FUNDS: | | |
| Increase in cash | $ 27,041 | $ 1,650,569 |
| Increase in receivables | 4,510,022 | 2,316,970 |
| Increase in merchandise inventories | 773,608 | 2,732,908 |
| Increase in other assets | 26,755 | 256,565 |
| Acquisition of real estate not used in operations | | 2,560,439 |
| Additions to property and equipment—net | 4,349,178 | 8,461,895 |
| Reduction of long-term debt | 1,039,000 | 535,000 |
| Reduction of notes payable | 4,770,836 | |
| Cash dividends | 3,952,124 | 3,940,027 |
| | $19,448,564 | $22,454,373 |

See notes to financial statements

## balance sheets

### ASSETS

| | January 30, 1971 | January 31, 1970 |
|---|---|---|
| CURRENT ASSETS: | | |
| Cash | $ 4,532,162 | $ 4,505,121 |
| Customer receivables (Note A) | 50,596,746 | 50,165,503 |
| Other notes and accounts receivable (Note B) | 4,685,816 | 607,037 |
| Merchandise inventories (Note C) | 24,870,238 | 24,096,630 |
| Prepaid expenses and other assets | 815,419 | 783,899 |
| **total current assets** | 85,500,381 | 80,158,190 |
| OTHER ASSETS: | | |
| Real estate not used in operations, at cost | 3,229,422 | 5,822,941 |
| Other | 1,231,591 | 1,236,356 |
| | 4,461,013 | 7,059,297 |
| PROPERTY AND EQUIPMENT, AT COST: | | |
| Land | 2,890,210 | 2,781,617 |
| Buildings and improvements | 34,477,155 | 33,955,309 |
| Fixtures and equipment | 20,728,899 | 18,655,046 |
| | 58,096,264 | 55,391,972 |
| Less accumulated depreciation and amortization | 21,496,687 | 19,342,504 |
| | 36,599,577 | 36,049,468 |
| | $126,560,971 | $123,266,955 |

### LIABILITIES AND STOCKHOLDERS' INVESTMENT

| | | |
|---|---|---|
| CURRENT LIABILITIES: | | |
| Notes payable | $ | $ 4,770,836 |
| Accounts payable | 13,823,901 | 11,652,596 |
| Dividends payable | 988,140 | 985,044 |
| Accrued expenses | 6,506,633 | 5,805,800 |
| Federal and state taxes on income: | | |
| Current | 4,404,242 | 4,061,050 |
| Deferred (Note D) | 5,794,000 | 5,915,000 |
| Long-term debt due within one year | 750,000 | 765,000 |
| **total current liabilities** | 32,266,916 | 33,955,326 |
| LONG-TERM NOTES PAYABLE, due after one year (note E) | 14,526,000 | 15,550,000 |
| DEFERRED TAXES ON INCOME (note D) | 2,713,000 | 2,416,000 |
| STOCKHOLDERS' INVESTMENT (notes E and F) | 77,055,055 | 71,345,629 |
| | $126,560,971 | $123,266,955 |

See notes to financial statements.

**H. lease commitments:**

At January 30, 1971, the Company was lessee under store and warehouse leases expiring from 1972 to 2957. The aggregate fixed rentals under such leases was $1,820,000 for the year and for the succeeding twenty-five years as follows:

| Five-year Periods Ending in | Approximate Average Annual Amount |
|---|---|
| 1976 | $2,663,000 |
| 1981 | 2,613,000 |
| 1986 | 2,576,000 |
| 1991 | 2,036,000 |
| 1996 | 1,508,000 |

In some instances, leases also require the Company to pay taxes, insurance and maintenance costs.

**I. pension and profit sharing plans:**

The Company has pension and profit sharing plans covering substantially all eligible employees.

Under the basic plan, funding requirements are determined by actuarial calculations using the individual level premium method without giving recognition to appreciation of pension fund assets. Appropriate recognition is given to pension fund asset appreciation for the purpose of determining pension expense.

It is the Company's policy to fund the cost accrued under the supplemental plan. Such costs include amortization of prior service costs over a thirty-year period.

The Company's contribution to the profit sharing savings plan can be no less than 15% of the participants' deposits so long as the plan is in existence. The contribution for 1971 and 1970 was $239,000 and $253,000, respectively, which represented 33% and 35% of the participants' deposits.

**J. earnings per share:**

Primary earnings per share were computed on the basis of the monthly average number of common shares outstanding. Fully diluted earnings per share were calculated assuming the conversion of convertible notes and exercise of stock options as of the beginning of the respective years (or date of issuance).

## accountants' report

March 26, 1971

Board of Directors
Rich's, Inc.
Atlanta, Georgia

We have examined the accompanying balance sheet of Rich's, Inc. as of January 30, 1971 and January 31, 1970, and the related statements of earnings, stockholders' investment and source and use of funds for the two years (fifty-two week periods) then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Rich's, Inc. at January 30, 1971 and January 31, 1970, the results of its operations and the source and use of funds for the two years (fifty-two week periods) then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Touche Ross & Co.

Certified Public Accountants

## ten-year history of financial highlights

| (000 omitted) | Fifty-two weeks ended January 30, 1971 | Fifty-two weeks ended January 31, 1970 | Fifty-two weeks ended February 1, 1969 | Fifty-three weeks ended February 3, 1968 |
|---|---|---|---|---|
| FROM THE EARNINGS STATEMENT | | | | |
| Net Sales | $205,168 | $186,391 | $172,052 | $159,204 |
| Percentage Increase (decrease) | 10.1% | 8.3% | 8.1% | 7.6% |
| Earnings Before Taxes | 17,741 | 19,114 | 19,396 | 16,588 |
| Earnings After Taxes[1] | 9,533 | 8,731 | 9,512 | 8,328 |
| Earnings Per Share of Common[1,2]—Primary | 3.50 | 3.22 | 3.51 | 3.09 |
| Common Dividends Paid | 3,952 | 3,940 | 3,656 | 3,305 |
| Dividends Per Share | 1.45 | 1.45 | 1.35 | 1.22½ |
| Earnings Retained in Company | 5,581 | 4,791 | 5,856 | 5,022 |
| Return on Common Equity | 12.85% | 12.68% | 15.00% | 14.39% |
| FROM THE BALANCE SHEET | | | | |
| Working Capital | $ 53,233 | $ 46,203 | $ 49,749 | $ 46,740 |
| Ratio of Current Assets to Current Liabilities | 2.6 | 2.4 | 3.1 | 3.1 |
| Expenditures for Property and Equipment | 4,349 | 8,462 | 5,404 | 2,363 |
| Long-Term Debt | 14,526 | 15,550 | 16,315 | 16,850 |
| Common Stockholders' Investment | 77,055 | 71,346 | 66,408 | 60,428 |
| Book Value Per Share of Common | 28.27 | 26.26 | 24.52 | 22.39 |
| Number of Common Shares Outstanding[2] | 2,726 | 2,717 | 2,708 | 2,699 |
| Total Number of Common Stockholders | 4,444 | 4,516 | 4,448 | 4,492 |

[1]Includes an extraordinary charge of $420,071 or $.16 per share for year ended January 29, 1966, and extraordinary credits of $991,341 or $.36 per share for year ended January 30, 1971; $748,200 or $.27 per share for year ended February 1, 1969; $820,000 or $.31 per share for year ended January 30, 1965; $273,000 or $.11 per share for year ended February 2, 1963.

[2]Data adjusted for comparative purposes to reflect three-for-two stock split effected in the year ended January 30, 1965.

Transfer Agent: Trust Company of Georgia, Atlanta, Georgia
Registrar: The Citizens and Southern National Bank, Atlanta, Georgia
Legal Counsel: King and Spalding, Atlanta, Georgia
Certified Public Accountants: Touche Ross & Co., Atlanta, Georgia

## statement of earnings

| | Year Ended January 30, 1971 | Year Ended January 31, 1970 |
|---|---|---|
| NET SALES, including leased departments | $205,168,370 | $186,390,685 |
| COSTS AND EXPENSES: | | |
| Cost of goods sold and expenses, exclusive of items listed below | 176,770,424 | 157,361,584 |
| Depreciation and amortization (straight-line method) | 3,799,069 | 3,380,961 |
| Repairs and maintenance | 719,797 | 1,045,387 |
| Taxes—other than taxes on income | 3,415,436 | 3,097,504 |
| Interest | 1,184,809 | 1,147,273 |
| Pension and profit sharing (Note I) | 1,537,726 | 1,243,935 |
| | 187,427,261 | 167,276,644 |
| EARNINGS BEFORE TAXES ON INCOME AND EXTRAORDINARY ITEM | 17,741,109 | 19,114,041 |
| FEDERAL AND STATE TAXES ON INCOME (note D) | 9,199,000 | 10,383,000 |
| EARNINGS BEFORE EXTRAORDINARY ITEM | 8,542,109 | 8,731,041 |
| EXTRAORDINARY ITEM—gain on sale of property, less applicable income taxes of $428,000 | 991,341 | |
| NET EARNINGS | $ 9,533,450 | $ 8,731,041 |
| EARNINGS PER SHARE (note J): | | |
| Primary: | | |
| Earnings before extraordinary item | $3.14 | $3.22 |
| Extraordinary item | .36 | |
| Net earnings | $3.50 | $3.22 |
| Fully diluted: | | |
| Earnings before extraordinary item | $3.06 | $3.13 |
| Extraordinary item | .35 | |
| Net earnings | $3.41 | $3.13 |

See notes to financial statements.

## board of directors

Ivan Allen, Jr.
*Chairman of the Board*
*Ivan Allen Company*

Joseph F. Asher
*Retired from Rich's, Inc.*

Harold Brockey

Joseph D. Brumm

Louis Carrol

R. Howard Dobbs, Jr.
*Chairman of the Board*
*Life Insurance Company of Georgia*

Arnold L. Ducoffe
*Director of School of Aerospace Engineering, Georgia Institute of Technology*

Alvin M. Ferst, Jr.

Ben S. Gilmer
*Retired—Former President*
*American Telephone and Telegraph Company*

Joel Goldberg

Joseph K. Heyman
*Senior Vice President*
*Trust Company of Georgia*

A. Carl Kotchian
*President*
*Lockheed Aircraft Corporation*

Walter M. Mitchell
*Retired—Former Chairman*
*Federal Reserve Bank of Atlanta*

Louis Montag
*Chairman of the Board*
*Montag and Caldwell, Inc.*

Frank H. Neely

Richard H. Rich

Oscar R. Strauss, Jr.
*Selig Manufacturing Company*

Robert B. Troutman, Sr.
*Senior Partner*
*King and Spalding*

Bennett F. Tuck, Jr.

## corporate officers

| | |
|---|---|
| Richard H. Rich | *Chairman of the Board* |
| Harold Brockey | *President* |
| Frank H. Neely | *Honorary Chairman of the Board* |
| Louis Carrol | *Executive Vice President* |
| Joseph D. Brumm | *Financial Vice President and Treasurer* |
| K. Edward Dye | *Secretary and Assistant Treasurer* |
| Fred A. Skellie, Jr. | *Assistant Secretary and Assistant Controller* |

## operating officers

Alvin M. Ferst, Jr.
*Senior Vice President*
*Real Estate and Development*

Joel Goldberg
*Senior Vice President and General Merchandise Manager*
*Rich's*

Bennett F. Tuck, Jr.
*Senior Vice President*
*Service and Operations*

John H. Weitnauer, Jr.
*Senior Vice President*
*General Manager*
*Richway*

Glenn T. Austin
*Vice President and Merchandise Manager*
*Budget Store*

John G. Bradley
*Vice President*
*Control*

Robert L. Jones
*Vice President and Merchandise Manager*

Leonard Levey
*Vice President and Merchandise Manager*

Albert D. Maslia
*Vice President and Merchandise Manager*
*Store for Homes*

John W. Miles
*Vice President*
*Sales Promotion*

Dudley B. Pope
*Vice President*
*Design and Display*

Jay E. Salzman
*Vice President and Merchandise Manager*

Ronald Yabroudy
*Vice President*
*Merchandising and Publicity*
*Richway*

### executive committee

Richard H. Rich, Chairman
Frank H. Neely
Harold Brockey
Louis Carrol
Joseph D. Brumm
Alvin M. Ferst, Jr.
Joel Goldberg
Bennett F. Tuck, Jr.

### salary committee

Richard H. Rich, Chairman
Harold Brockey
R. Howard Dobbs, Jr.
Walter M. Mitchell
Robert B. Troutman, Sr.

### finance and audit committee

R. Howard Dobbs, Jr., Chairman
Joseph D. Brumm
Joseph K. Heyman
Walter M. Mitchell
Louis Montag

The 1970 annual report is printed in two sections. This section contains the financial statements. To open, turn the whole section to your left, then open to the left. The financial section has a perforated cover for easy removal, convenient filing.

○ Existing Rich's Department Stores

◎ Rich's Department Stores under construction

▽ Richway Units

● Warehouse

This is Rich's...growing, moving, expanding to fulfill the needs of our customers today, and looking to the future. As Atlanta grows, so grows Rich's... an apt correlation because it is our goal to be where our customers are.